

EXHIBIT 10

RO-6-143

Sierra Club, others sue San Diego County to block carbon credit plan for new development

John Gibbins / San Diego Union-Tribune

Several environmental groups joined the Sierra Club over the weekend in suing the county of San Diego for its plan to use carbon credits to offset greenhouse gas emissions from new housing and commercial developments.

Signing onto the lawsuit are The Center for Biological Diversity and the Endangered Habitats League, as well as the local groups Cleveland National Forest Foundation, Climate Action Campaign, Environmental Center for San Diego and Preserve Wild Santee.

As part of a years-long legal battle with the Sierra Club, the county recently redrafted its Climate Action Plan under court order. County officials put forth a plan that would allow developers to offset air pollution by purchasing carbon credits.

[San Diego County embraces carbon credits to green up suburban sprawl amid legal war »](#)

Such credits would be bought through carbon registries, such as Climate Action Reserve, American Carbon Registry and Verified Carbon Standard, and could represent projects located anywhere in the world.

The Sierra Club argues the county has no way to verify the quality of the credits and that it should require all such off-set programs to be located within the county.

“Such offsets may be completely illusory and would not benefit the residents of San Diego as offsets attained through local projects would,” said Josh Chatten-Brown of Chatten-Brown & Carstens, the law firm representing the groups, in an e-mail.

The county declined to comment, citing the ongoing litigation.

The county has required developers to do as much onsite mitigation of greenhouse gases as possible before turning to the credits market. However, sprawling suburban development generates significant numbers of new car trips that will likely require credits to help the county satisfy its climate plan.

Developers seem eager to embrace the credit proposal. The developers of Newland Sierra north of Escondido, for example, have proposed buying credits to offset about 80 percent of the project’s climate pollution. Lilac Hills Ranch in Valley Center has plans to address about 70 percent of its climate pollution through credits.

The county has more than a dozen such projects currently awaiting approval.

As part of the state’s cap-and-trade program, businesses have the option of buying such credits. However, the state independently verifies the quality of the offset projects and limits use to just 8 percent of a regulated company’s total emissions.

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